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HOUSE BILL 1183

State of Washington 55th Legislature 1997 Regular Session

By Representatives Reams, Koster, Sherstad, Thompson, Mulliken, Mielke, Wensman, Dunn and Backlund

Read first time 01/16/97. Referred to Committee on Government Administration.

- AN ACT Relating to competitive strategies in the delivery of government services; amending RCW 41.06.380 and 41.06.382; reenacting and amending RCW 41.06.070; adding a new section to chapter 28A.400 RCW; creating a new section; providing an effective date; and declaring an emergency.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 7 <u>NEW SECTION.</u> **Sec. 1.** It is the intent of the legislature that:
- 8 (1) All agencies, departments, offices of elective or appointed 9 state officers, state institutions, colleges, universities, community
- 10 colleges, technical colleges, college districts, public school
- 11 districts, the supreme court, the court of appeals, and any other
- 12 entity receiving appropriations from the legislature deliver high
- 13 quality services to the people of the state of Washington in the most
- 14 efficient and cost-effective manner possible.
- 15 (2) The director of general administration, through the state
- 16 purchasing and material control director established in RCW 43.19.180,
- 17 be provided the highest level of flexibility in the purchase of all
- 18 materials, supplies, services, and equipment necessary for the

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- 1 efficient support, maintenance, repair, and use of all agencies and 2 departments under RCW 43.19.190.
- 3 (3) Primary deliberation regarding the purchase or delivery of 4 services by state agencies, departments, and institutions focus upon 5 strategies that foster cost controls and increased quality or service 6 levels through the use of free market enterprise competition.
- 7 **Sec. 2.** RCW 41.06.380 and 1979 ex.s. c 46 s 2 are each amended to 8 read as follows:
- 9 ((Nothing contained in this chapter shall prohibit any department)) An agency, as defined in RCW 41.06.020, ((from purchasing services by 10 contract with individuals or business entities if such services were 11 12 regularly purchased by valid contract by such department prior to April 23, 1979: PROVIDED, That no such contract may be executed or renewed 13 14 if it would have the effect of terminating classified employees or 15 classified employee positions existing at the time of the execution or renewal of the contract)) may purchase services or the delivery of 16 services through contracts with individuals or business entities. The 17 18 execution or renewal of the contract must be in compliance with the provisions of RCW 43.19.1906. 19
- 20 **Sec. 3.** RCW 41.06.070 and 1996 c 319 s 3, 1996 c 288 s 33, and 21 1996 c 186 s 109 are each reenacted and amended to read as follows:
- 22 (1) The provisions of this chapter do not apply to:
- 23 (a) The members of the legislature or to any employee of, or 24 position in, the legislative branch of the state government including 25 members, officers, and employees of the legislative council, joint 26 legislative audit and review committee, statute law committee, and any 27 interim committee of the legislature;
- (b) The justices of the supreme court, judges of the court of appeals, judges of the superior courts or of the inferior courts, or to any employee of, or position in the judicial branch of state government;
- 32 (c) Officers, academic personnel, and employees of technical 33 colleges;
 - (d) The officers of the Washington state patrol;
- 35 (e) Elective officers of the state;

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36 (f) The chief executive officer of each agency;

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- (g) In the departments of employment security and social and health services, the director and the director's confidential secretary; in all other departments, the executive head of which is an individual appointed by the governor, the director, his or her confidential secretary, and his or her statutory assistant directors;
- 6 (h) In the case of a multimember board, commission, or committee, 7 whether the members thereof are elected, appointed by the governor or 8 other authority, serve ex officio, or are otherwise chosen:
 - (i) All members of such boards, commissions, or committees;
- (ii) If the members of the board, commission, or committee serve on a part-time basis and there is a statutory executive officer: The secretary of the board, commission, or committee; the chief executive officer of the board, commission, or committee; and the confidential secretary of the chief executive officer of the board, commission, or committee;
- (iii) If the members of the board, commission, or committee serve on a full-time basis: The chief executive officer or administrative officer as designated by the board, commission, or committee; and a confidential secretary to the chair of the board, commission, or committee;
- (iv) If all members of the board, commission, or committee serve ex officio: The chief executive officer; and the confidential secretary of such chief executive officer;
- (i) The confidential secretaries and administrative assistants in the immediate offices of the elective officers of the state;
 - (j) Assistant attorneys general;

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- (k) Commissioned and enlisted personnel in the military service of the state;
- 29 (1) Inmate, student, part-time, or temporary employees, and part-30 time professional consultants, as defined by the Washington personnel 31 resources board;
- 32 (m) The public printer or to any employees of or positions in the 33 state printing plant;
- 34 (n) Officers and employees of the Washington state fruit 35 commission;
- 36 (o) Officers and employees of the Washington state apple 37 advertising commission;
- (p) Officers and employees of the Washington state dairy products commission;

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- 1 (q) Officers and employees of the Washington tree fruit research 2 commission;
 - (r) Officers and employees of the Washington state beef commission;
- 4 (s) Officers and employees of any commission formed under chapter 5 15.66 RCW;

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- 6 (t) Officers and employees of the state wheat commission formed 7 under chapter 15.63 RCW;
- 8 (u) Officers and employees of agricultural commissions formed under 9 chapter 15.65 RCW;
- 10 (v) Officers and employees of the nonprofit corporation formed 11 under chapter 67.40 RCW;
- (w) Executive assistants for personnel administration and labor relations in all state agencies employing such executive assistants including but not limited to all departments, offices, commissions, committees, boards, or other bodies subject to the provisions of this chapter and this subsection shall prevail over any provision of law inconsistent herewith unless specific exception is made in such law;
- 18 (x) In each agency with fifty or more employees: Deputy agency 19 heads, assistant directors or division directors, and not more than 20 three principal policy assistants who report directly to the agency 21 head or deputy agency heads;
 - (y) All employees of the marine employees' commission;
- (z) Up to a total of five senior staff positions of the western library network under chapter 27.26 RCW responsible for formulating policy or for directing program management of a major administrative unit. This subsection (1)(z) shall expire on June 30, 1997;
- (aa) Staff employed by the department of community, trade, and economic development to administer energy policy functions and manage energy site evaluation council activities under RCW 43.21F.045(2)(m);
- (bb) Staff employed by Washington State University to administer energy education, applied research, and technology transfer programs under RCW 43.21F.045 as provided in RCW 28B.30.900(5).
- 33 (2) The following classifications, positions, and employees of 34 institutions of higher education and related boards are hereby exempted 35 from coverage of this chapter:
- (a) Members of the governing board of each institution of higher education and related boards, all presidents, vice-presidents, and their confidential secretaries, administrative, and personal assistants; deans, directors, and chairs; academic personnel; and

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executive heads of major administrative or academic divisions employed by institutions of higher education; principal assistants to executive heads of major administrative or academic divisions; other managerial or professional employees in an institution or related board having substantial responsibility for directing or controlling program operations and accountable for allocation of resources and program results, or for the formulation of institutional policy, or for carrying out personnel administration or labor relations functions, legislative relations, public information, development, senior computer systems and network programming, or internal audits and investigations; and any employee of a community college district whose place of work is one which is physically located outside the state of Washington and who is employed pursuant to RCW 28B.50.092 and assigned to an educational program operating outside of the state of Washington;

(b) Student, part-time, or temporary employees, and part-time professional consultants, as defined by the Washington personnel resources board, employed by institutions of higher education and related boards;

- (c) The governing board of each institution, and related boards, may also exempt from this chapter classifications involving research activities, counseling of students, extension or continuing education activities, graphic arts or publications activities requiring prescribed academic preparation, or special training as determined by the board((: PROVIDED, That no nonacademic employee engaged in office, clerical, maintenance, or food and trade services may be exempted by the board under this provision));
- 27 (d) Printing craft employees in the department of printing at the 28 University of Washington.
 - (3) In addition to the exemptions specifically provided by this chapter, the Washington personnel resources board may provide for further exemptions pursuant to the following procedures. The governor or other appropriate elected official may submit requests for exemption to the Washington personnel resources board stating the reasons for requesting such exemptions. The Washington personnel resources board shall hold a public hearing, after proper notice, on requests submitted pursuant to this subsection. If the board determines that the position for which exemption is requested is one involving substantial responsibility for the formulation of basic agency or executive policy or one involving directing and controlling program operations of an

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agency or a major administrative division thereof, the Washington request 2 personnel resources board shall grant the determination shall be final as to any decision made before July 1, 3 4 The total number of additional exemptions permitted under this 5 subsection shall not exceed one percent of the number of employees in the classified service not including employees of institutions of 6 7 higher education and related boards for those agencies not directly 8 under the authority of any elected public official other than the 9 governor, and shall not exceed a total of twenty-five for all agencies under the authority of elected public officials other than the 10 The Washington personnel resources board shall report to 11 each regular session of the legislature during an odd-numbered year all 12 exemptions granted under subsections (1)(w) and (x) and (2) of this 13 section, together with the reasons for such exemptions. 14

The salary and fringe benefits of all positions presently or hereafter exempted except for the chief executive officer of each agency, full-time members of boards and commissions, administrative assistants and confidential secretaries in the immediate office of an elected state official, and the personnel listed in subsections (1)(j) through (v), (y), (z), and (2) of this section, shall be determined by the Washington personnel resources board. However, beginning with changes proposed for the 1997-99 fiscal biennium, changes to the classification plan affecting exempt salaries must meet the same provisions for classified salary increases resulting from adjustments to the classification plan as outlined in RCW 41.06.152.

Any person holding a classified position subject to the provisions of this chapter shall, when and if such position is subsequently exempted from the application of this chapter, be afforded the following rights: If such person previously held permanent status in another classified position, such person shall have a right of reversion to the highest class of position previously held, or to a position of similar nature and salary.

Any classified employee having civil service status in a classified position who accepts an appointment in an exempt position shall have the right of reversion to the highest class of position previously held, or to a position of similar nature and salary.

A person occupying an exempt position who is terminated from the position for gross misconduct or malfeasance does not have the right of reversion to a classified position as provided for in this section.

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38 39 1 **Sec. 4.** RCW 41.06.382 and 1979 ex.s. c 46 s 1 are each amended to 2 read as follows:

3 ((Nothing contained in this chapter shall prohibit any)) 4 institution of higher education, as defined in RCW 28B.10.016, or related board ((from purchasing services by contract with individuals 5 or business entities if such services were regularly purchased by valid 6 7 contract at such institution prior to April 23, 1979: PROVIDED, That 8 no such contract may be executed or renewed if it would have the effect 9 of terminating classified employees or classified employee positions 10 existing at the time of the execution or renewal of the contract)) may purchase services or the delivery of services through contracts with 11 individuals or business entities. The execution or renewal of the 12 contract must be in compliance with the provisions of RCW 43.19.1906. 13

NEW SECTION. **Sec. 5.** A new section is added to chapter 28A.400 RCW to read as follows:

Nothing in this chapter shall be construed as prohibiting the procurement or provision of nonacademic services. Directors of school districts may purchase services or the delivery of services through contracts with individuals or business entities. The execution or renewal of the contract must be in compliance with the provisions of RCW 43.19.1906.

NEW SECTION. Sec. 6. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 1997.

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